Corporate Policy Handbook

Receipt Acknowledgment

Introduction

This is an online version of the *Corporate Policy Handbook*. This handbook serves as a guide for salaried managers and salaried supervisors.

Printing policies

The Human Resources Department encourages you to use this online form of documentation rather than printing the entire *Corporate Policy Handbook*.

Individual policies listed within this online document may be printed for your personal use during employee performance reviews; however, policies should NOT be copied and given to employees. Employee policy information is contained in the *Employee Handbook* and the hiring packet.

Acknowledgment

I acknowledge that I have received and subsequently reviewed the online version of the *Corporate Policy Handbook* by clicking on the link to the Table of Contents below.

Click Corporate Policy Handbook to view.

Questions and comment

Please contact Royce Waxenfelter at (503) 797-3184 if you have any questions and/or comments.



MJ Exhibit 17

Page 2 of 415

Table of Contents

Receipt Acknowledgment	wledgment-1
Fred Meyer StoresPresid	ent's Letter-1
InstructionsI	nstructions-1
Introduction	Intro-1
1 Hiring	
1.1 Job Posting Program	1-3
1.2 Job Descriptions	1-9
1.3 Interviewing and Selecting Job Applicants	1-13
1.4 Employment Eligibility Verification	1-23
1.5 Employment of Relatives	1-27
1.6 Hiring People with Disabilities	1-29
1.7 Employment of Minors	1-33
1.8 Using Independent Contractors	1-43
1.9 School-to-Work	1-55
1.10 Equal Employment Opportunity	1-59
1.11 Rehiring Former Employees	1-63
1.12 Transfer, Interview, Selection Process	1-65
2 Employee Development	
2.1 Tuition Assistance	2-3
2.2 Performance Appraisals	2-9
3 Benefits and Compensation	
3.1 Family and Medical Leave	3-3
3.2 Cellular Phones/Pagers	3-11
3.3 The Kroger Co./Fred Meyer Travel Policy*	3-19
3.4 Expense Reporting	3-31
MJ Exhibit	17 Page

Page 3 of 415

Page 3 of 15

∀ .	
3.5 Associate Discount	3-37
3.6 Vacations	3-45
3.7 Severance Pay	3-49
3.8 Employee Relocation	3-51
3.9 Purchasing Products Not Stocked by Fred Meyer	3-63
3.10 Funeral Leave	3-65
3.11 Jury and Witness Duty	3-67
3.12 Personal Leave of Absence	3-69
3.13 Retirement Gifts	3-71
3.14 Military Leave	3-75
4 Employee Conduct	
4.1 Business Ethics	4-3
4.2 Sexual Harassment & Other Forms of Harassment	4-13
4.3 Alcohol and Drug Use	4-17
4.4 Complaint Resolution	4-33
4.5 Securities Trading	4-39
4.6 Dress and Appearance	4-41
4.7 Time and Attendance	4-61
4.8 Employee Purchases	4-67
4.9 Employee Parcel Inspection	4-69
4.10 Employee Solicitations	4-71
4.11 Smoking and Tobacco Use	4-73
4.12 Personal Weapons	4-75
4.13 Reference, Recommendation, and Service Letters	4-77
4.14 Employee Returned Checks	4-79
4.15 Personal Items in Work Areas	4-83
4.16 Corporate Office Samples and Purchases	4-85

MJ Exhibit 17 Page 4 of 415



Page 4 of 15

5 Health and Safety	
5.1 Workplace Safety	5-3
5.2 Injured Employee Return-to-Work Program	5-9
5.3 Violence in the Workplace	5-13
5.4 Driving Requirements	5-19
5.5 Reporting Employee Incidents and Accidents	5-23
5.6 Reporting Customer Incidents	5-29
5.7 Use of Wireless Comm. Devices While Driving	5-33
6 Facilities	
6.1 Main Office Guidelines	6-3
6.2 Employee Entrance and Exit	6-11
7 Systems and Communications	
7.1 Information Security	7-3
7.2 Software Copyright Laws	7-9
7.3 Purchasing Microcomputer Hardware/Software	7-11
7.4 Remote Access	7-15
7.5 Electronic Mail	7-19
7.6 PC Backups & Off-Site Storage	7-23
7.7 Direct and Relationship Marketing	7-25
7.8 Internet Acceptable Use	7-29
7.9 Y2K Purchasing Compliance	7-33
7.10 Personal Digital Assistants	7-37
7.11 Terminating Computer Systems Access	7-41
8 Public Affairs	
8.1 Corporate Giving	8-3
8.2 Fred Bear	8-7
8.3 ECO - Employee Commute Options	8-11
MJ Ex	hibit 1 <mark>7 Page 3</mark>

Corporate Policy Handbook

Table of Contents - iii

8.4 Community Events	8-17
8.5 Petitioners	8-21
8.6 Media Relations	8-25
9 Products	
9.1 Intersection Transfers	9-3
9.2 Product Recalls	9-9
9.3 Copyright and Trademark Infringement	9-17
9.4 Vendor Checks	9-21
9.5 Vendor Allowance Agreements	9-25
9.6 Index	I-1
Fred Meyer Policies	1-1

Instructions

Purpose

The Corporate Policy Handbook is now distributed via an online format. This method of distribution will not only save costs, but it will provide you with the most recent policies on a real-time basis.

Table of Contents

The Table of Contents is the first portion of the document you will see. This is your starting point. Click on any of the blue links to take you to that portion of the *Corporate Policy Handbook*.

Navigating

Navigation through the *Corporate Policy Handbook* will be by using either:

- → Bookmarks listed on the left-hand side of the screen
- → The Previous Page and Next Page buttons on your Adobe toolbar to "page" through the handbook

First Step

Your first step will be to review the Updates portion of the handbook. This area lists all of the revisions and updates since the last distribution of the handbook.

Questions and/or Comments

Any questions and/or comments you may have about the *Corporate Policy Handbook's* online version and its use should be directed to Human Resources.

MJ Exhibit

Page 7 of 415

Case 1:04-cv-00008-RRB Document 59-2 Filed 09/06/2006 Page 8 of 15

FredMeyer

MJ Exhibit 17 Page 8 of 415

Fred Meyer Stores

Corporate Policy Handbook

Managers and Supervisors:

This handbook is an important and useful tool for you when discussing matters of company policy with the people on your team. You should:

- ◆ Take the time to read and understand the policies in this handbook to help ensure that your decisions affecting people are appropriate.
- ◆ Ask your immediate supervisor for clarification if you have questions concerning any of these policies. If you still have questions after discussions with your supervisor, please call the Human Resources department for clarification.
- ◆ Accurately interpret and explain company policies to your team to help them respond to situations properly.
- → Treat employees as you would expect others to treat you, be consistent. Remember, we are all on the same team.
- → Use your own good judgement and common sense, qualities far more valuable than the policies in this handbook, which are your guidelines for managing the company.
- → Your cooperation in keeping this handbook updated is appreciated. Please review the Updates page on a regular basis to ensure you are kept up-to-date regarding policy changes. This handbook is a reliable and effective tool if it is maintained.

This policy is effective immediately and supersedes any previous policies.

President, Fred Meyer Stores

MJ Exhibit 17

Page 9 of 415

This handbook is not intended to, and indeed does not, bestow any additional rights to employment or employment benefits to Fred Meyer Stores employees. In addition, Fred Meyer reserves the right to depart from these guidelines and to take action up to and including immediate discharge when, in its opinion, such action is necessary to protect the well-being of the company or its employees.

Copyright © 2002 - Fred Meyer Stores Fred Meyer Stores 3800 S.E. 22nd Avenue Portland, OR 97202

First Edition (11/96); Revised: 5/97, 12/97, 5/98, 3/99, 1/00, 8/00, 1/01, 4/01, 7/01, 10/01, 1/02, 4/02

All rights reserved. For internal use only. No part of this document may be distributed or reproduced to anyone outside Fred Meyer Stores without prior written consent of Fred Meyer Stores.

MJ Exhibit 17 Page 10 of 415



Table of Contents

Receipt Acknowledgment	cknowledgment-1
Fred Meyer Stores	resident's Letter-1
Instructions	Instructions-1
Introduction	Intro-1
1 Hiring	
1.1 Job Posting Program	1-3
1.2 Job Descriptions	1-9
1.3 Interviewing and Selecting Job Applicants	1-13
1.4 Employment Eligibility Verification	1-23
1.5 Employment of Relatives	1-27
1.6 Hiring People with Disabilities	1-29
1.7 Employment of Minors	1-33
1.8 Using Independent Contractors	1-43
1.9 School-to-Work	1-55
1.10 Equal Employment Opportunity	1-59
1.11 Rehiring Former Employees	1-63
1.12 Transfer, Interview, Selection Process	1-65
2 Employee Development	
2.1 Tuition Assistance	2-3
2.2 Performance Appraisals	2-9
3 Benefits and Compensation	
3.1 Family and Medical Leave	3-3
3.2 Cellular Phones/Pagers	3-11
3.3 The Kroger Co./Fred Meyer Travel Policy*	3-19
3.4 Expense Reporting	3-31

MJ Exhibit 17

Page 11 of 415

	i
3.5 Associate Discount	3-37
3.6 Vacations	3-45
3.7 Severance Pay	3-49
3.8 Employee Relocation	3-51
3.9 Purchasing Products Not Stocked by Fred Meyer	3-63
3.10 Funeral Leave	3-65
3.11 Jury and Witness Duty	3-67
3.12 Personal Leave of Absence	3-69
3.13 Retirement Gifts	3-71
3.14 Military Leave	3-75
4 Employee Conduct	
4.1 Business Ethics	4-3
4.2 Sexual Harassment & Other Forms of Harassment	•
4.3 Alcohol and Drug Use	
4.4 Complaint Resolution	
4.5 Securities Trading	
4.6 Dress and Appearance	
4.7 Time and Attendance	4 4
4.8 Employee Purchases	
4.9 Employee Parcel Inspection	
4.10 Employee Solicitations	
4.11 Smoking and Tobacco Use	
4.12 Personal Weapons	
4.13 Reference, Recommendation, and Service Letters	
4.14 Employee Returned Checks	
4.15 Personal Items in Work Areas	
4.16 Corporate Office Samples and Purchases	

MJ Exhibit 17

Page 12 of 415

5 Health and Safety	
5.1 Workplace Safety	5-3
5.2 Injured Employee Return-to-Work Program	5-9
5.3 Violence in the Workplace	5-13
5.4 Driving Requirements	5-19
5.5 Reporting Employee Incidents and Accidents	5-23
5.6 Reporting Customer Incidents	5-29
5.7 Use of Wireless Comm. Devices While Driving	5-33
6 Facilities	
6.1 Main Office Guidelines	6-3
6.2 Employee Entrance and Exit	6-11
7 Systems and Communications	
7.1 Information Security	7-3
7.2 Software Copyright Laws	7-9
7.3 Purchasing Microcomputer Hardware/Software	7-11
7.4 Remote Access	7-15
7.5 Electronic Mail	7-19
7.6 PC Backups & Off-Site Storage	7-23
7.7 Direct and Relationship Marketing	7-25
7.8 Internet Acceptable Use	7-29
7.9 Y2K Purchasing Compliance	7-33
7.10 Personal Digital Assistants	7-37
7.11 Terminating Computer Systems Access	7-41
8 Public Affairs	
8.1 Corporate Giving	8-3
8.2 Fred Bear	8-7
8.3 ECO - Employee Commute Options	8-11
MI Eyhibit 12	/ Daga 12 a

8.4 Community Events	8-17
8.5 Petitioners	8-21
8.6 Media Relations	8-25
9 Products	
9.1 Intersection Transfers	9-3
9.2 Product Recalls	9-9
9.3 Copyright and Trademark Infringement	9-17
9.4 Vendor Checks	9-21
9.5 Vendor Allowance Agreements	9-25
9.6 Index	I-1
Fred Meyer Policies	1-1

Introduction

Overview

Policies contained in this handbook are to provide managers and supervisors of Fred Meyer Stores with guidelines to use in their decision-making processes. A policy defines the area within which a decision should be made to ensure the decision is within the company's philosophy and strategic plans as well as state/federal laws.

Page 15 of 15

The Fred Meyer Stores Corporate Policy Handbook ensures that:

- ◆ Relationships are strengthened and errors are reduced due to equitable and consistent policies and procedures. This reduces inconsistent and discriminatory practices and increases effective and efficient services.
- → Communication improves as managers and supervisors learn and understand policies and procedures that guide the organization.
- → Decisions are consistent, because well-developed and clearly understood policies lead to effective and impartial decisions.

The use of "Fred Meyer" in this handbook refers to "Fred Meyer Stores" only.

Corporate vs. Divisional/Departmental Policies

Only *corporate* policies and procedures are included in this handbook. Corporate policies and procedures either pertain to more than one division within the company or are necessary to comply with state federal regulations.

Example: Our employee relocation and sexual harassment policies are examples of corporate policies.

Divisional or *departmental* policies, on the other hand, affect only those employees within a particular division or department.

Example: Policies regarding computer room access and department staff meetings are divisional/departmental policies.

MJ Exhibit 17

Page 15 of 415